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INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE PRIORITY
RUCNCIS/CIS COLLECTIVE PRIORITY
RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY
RUEHAK/AMEMBASSY ANKARA PRIORITY 3896
RUEHBJ/AMEMBASSY BEIJING PRIORITY 1713
RUEHKO/AMEMBASSY TOKYO PRIORITY 1580
RUEHAD/AMEMBASSY ABU DHABI PRIORITY 0365
RUEHIT/AMCONSUL ISTANBUL PRIORITY 2149
RUEKJCS/JOINT STAFF WASHDC PRIORITY
RHMFIUU/CDR USCENTCOM MACDILL AFB FL PRIORITY
RUEKJCS/SECDEF WASHDC PRIORITY
RUEAIIA/CIA WASHDC PRIORITY
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RHEFDIA/DIA WASHDC PRIORITY
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SENSITIVE
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STATE FOR SCA/CEN, EEB
PLEASE PASS TO USTDA DAN STEIN
COMMERCE FOR HUEPER
ENERGY FOR EKIMOFF/THOMPSON

E.O. 12958: N/A
TAGS: [PGOV](#) [PREL](#) [EPET](#) [TX](#)
SUBJECT: TURKMENISTAN'S OIL EXHIBITION AND CONFERENCE: A LESS THAN
SUCCESSFUL EVENT

11. (U) Sensitive but unclassified. Not for public Internet.

12. SUMMARY. (SBU) On June 6-7, the Government of Turkmenistan held the Exploration of Oil Fields, Oil Production, Refining, and Petrochemicals Exhibition and International Conference. This was the second of three separate events Turkmenistan's petroleum leadership decided to hold this year. According to Turkmenistan's officials, over 50 companies participated in the conference and some 67 firms in the exhibition. However, most industry experts agreed that both events had little value except for offering an opportunity for non-resident firms to return to Ashgabat and meet with government officials. END SUMMARY.

GOVERNMENT SPEAKERS

13. (SBU) Government presentations concentrated mainly on technical production and refining issues and/or specific fields. Turkmennebit (Turkmenoil) Chairman Tashliyev spoke on priorities for cooperation with foreign companies. Not surprisingly, in Tashliyev's view, such cooperation only includes drillin and drilling rigs and equipment, production pumps, well work-over, and related machinery supplies. Tashliyev asserted that Turkmenistan's resources in the Caspian amount to 12 billion tons of oil and 5.5 trillion cubic meters of natural gas, but did not even mention his company's oil production performance for 2007.

14. (SBU) The presentation by Turkmenbashi Refinery's Deputy Chief Engineer Vladimir Tuvakov was probably the only interesting Turkmen presentation. Tuvakov reported that the refinery processed about 6.3 million tons of crude. (NOTE: Turkmen government statistics indicate that the country's 2007 overall crude production was 9.8 million. Turkmenistan's other refining facility at Seydi currently processes around 1 million tons of oil a year, thus leaving 2.5 million to PSA holders. END NOTE.) Gasoline production in 2007 was 1.7 million tons, including around 0.9 million tons of 80-octane gasoline, 0.36 million tons of 92-octane gasoline and 0.48 million tons of 95-octane gasoline. The refinery plans to refine about

0.846 tons of 92 and 95-octane gasoline in 2008. According to Tuvakov, Turkmenbashy Refinery's gasoline does not conform to the Euro-2005 standard.

U.S. PARTICIPATION

15. (SBU) None of the major American oil firms exhibited at the event. However, ExxonMobil and BP made presentations respectively on periodic 4-D seismic reservoir monitoring and oil processing technology, and well-completion technology in the Caspian. Chevron, Marathon, and ConocoPhillips -- all of which are currently pursuing deals in Turkmenistan -- did not exhibit or participate in the conference.

16. COMMENT: (SBU) Like its forerunner in March, this year's second specialized petroleum event has been less than successful. The conference planner, a Russian firm, started advertising the event only about three weeks prior to the exhibit, leaving most foreign firms with insufficient time to import exhibits, although Russian, Chinese, and Turkish firms were all well represented. Many participants shared their disappointment with exhibition and conference organizers. The head of the local Chevron office dismissed the event as "one more beauty pageant." However, like the March event, it did offer representatives from non-resident firms a chance to visit Turkmenistan and hold discussions with the Government and/or industry contacts. END COMMENT.

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